

**MINUTES OF THE
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE MEETING
TUESDAY, JANUARY 19, 2011, 8:00 A.M.
House 30, State Capitol**

Members Present: Sen. Chris Buttars, Co-Chair
Rep. Merlynn T. Newbold, Co-Chair
Rep. Ken Sumsion, House Vice-Chair
Sen. Stuart Adams
Sen. Lyle Hillyard
Sen. Mark Madsen
Sen. Karen W. Morgan
Sen. Howard Stephenson
Sen. Daniel Thatcher
Rep. LaVar Christensen
Rep. Tim M. Cosgrove
Rep. Steve Eliason
Rep. Francis D. Gibson
Rep. Steve Handy
Rep. Ken Ivory
Rep. Carol Spackman Moss
Rep. Jim Nielson
Rep. Marie H. Poulson
Rep. Bill Wright

Staff Present: Ben Leishman, Legislative Fiscal Analyst
Karen C. Allred, Secretary

Public Speakers Present: Larry Shumway, State Superintendent, Utah State Office of Education
David Thomas, Board Member, Utah State Board of Education
Martell Menlove, Deputy Superintendent, Utah State Office of Education
Debra Roberts, Chair, Utah State Board of Education

A list of visitors and a copy of handouts are filed with the Subcommittee minutes.

Co-Chair Buttars called the meeting to order at 8:18 A.M.

1. Minutes and Introduction

There were no minutes to approve. Sen. Hillyard re-emphasized to the subcommittee to look for ways to adjust the base budget for the reduction, and to look for programs for one-time money that may be available. Reductions will not actually be made at this meeting. He reminded the subcommittee that the reductions will not affect this year's budget since it is already in place.

Co-Chair Buttars introduced a new member of the subcommittee, Sen. Madsen.

2. Follow up on Items from January 11, 2011

Mr. Leishman explained that last week's meeting covered the programs in the Basic School Program, the Related to Basic Programs and the Block Grant line items in the Related to Basic School Programs. Today is going to be a continuation of that discussion starting with the Special Population line items.

3. Detailed Review of Education Programs

a. Minimum School Program

Mr. Leishman referred the subcommittee to the spread sheet from last week's meeting in their binders and discussed the line items in Special Populations. The funds in Special Populations go to targeted student groups throughout the state. The line items discussed were the Highly Impacted Schools, which provide supplemental resources to the 50 most impacted schools in the state and Youth at Risk, which fund 5 programs: Gang Prevention; Homeless and Disadvantaged Minority; Math Engineering and Science Achievement (MESA); At Risk Regular Programs; and the largest is Youth in Custody (students in the custody of Juvenile Justice Services, and are not counted in the general WPU).

Co-Chair Buttars asked the difference between Highly Impacted Schools and Youth at Risk. Mr. Leishman said the difference is severity. Highly Impacted Schools goes to the 50 most severely impacted schools while Youth at Risk goes to a broader basis with a smaller amount.

Mr. Leishman continued under Special Populations, with Adult Education which provides funding to school districts who provide education opportunities to students who do not have a high school diploma or GED. He discussed Accelerated Learning (or the gifted and talented programs and advanced placement), Concurrent Enrollment which allows 11th and 12th grade students to take courses for college credit, and High-Ability Student Initiative which supports an internet based resource center, teacher professional development, endorsements for gifted and talented and an evaluation component. Mr. Leishman concluded the Special Populations category with English Language Learner Family Literacy Centers.

Larry Shumway, Superintendent, Utah State Office of Education, said that each of these programs is serving the need and purpose for which they were developed.

Co-Chair Buttars asked what the International Baccalaureate Program is and asked where he could find more detail. Superintendent Shumway said it is a program adopted by several high schools, intended to provide a greater level of standard and more rigorous course work for a more productive high school experience. There is an International Baccalaureate website which gives further detail. Rep. Moss further explained that the program is popular and is a series of advanced courses, as well as a year of service, followed by an honor's thesis and exams and/or portfolios which are sent to be judged. This program gives students an advantage of getting in to, and getting scholarships for, top universities.

Rep. Ivory asked how the effectiveness of the funding all of these programs can be judged. The subcommittee needs data and quantified criteria as to how programs are working. He commented that maybe a rank score could be implemented to help make the judgement call as to which programs are most effective. Superintendent Shumway replied that there is information on each program as to whom and how students are being served. As the programs are implemented, the USOE is making sure the program effectively serves the purpose intended, and that students, as well as families are better served. The Legislature has to make the judgement of which programs are more important.

Co-Chair Newbold asked what the measuring tool is on Highly Impacted Schools. Superintendent Shumway replied the measures would be academic achievement, annual progress and proficiency. Co-Chair Newbold, asked if he is referring to Criteria Referenced Tests (CRT), and looking at a particular school to see if high risk schools are keeping up with regular schools. Superintendent Shumway said that the challenge is that the same students are not there year after year and it is hard to know what gaps have been closed, however, that would be the measurement intention for this program. Programs are being provided that have been researched and tested, and found to be helpful for the students involved.

Rep. Eliason commented on personal ways that the International Baccalaureate and Advanced Placement/Concurrent Enrollment programs have been very successful. He asked if some of the adult education classes would be better left to the private sector. Superintendent Shumway responded that the purpose of funding the adult education classes is in recognition that a large part of the population needing these classes wouldn't be able to pay.

Co-Chair Buttars asked who is the governance of the International Baccalaureate (IB) Program. Superintendent Shumway replied that an international association sets standards for the curriculum and those standards are focused on high academic achievement and is congruent with Utah values. The courses in this program are taught by Utah teachers. Co-Chair Buttars said that in these special population programs there isn't a way to assess progress. Superintendent Shumway responded that in some cases it is difficult because of the nature of the population, but in every case student achievement and participation is measured, and the purposes intended by the Legislature when the program was put in place, are being met.

Rep. Handy asked what is the dollar amount that goes to the IB Programs and how many high schools have this program. Mr. Leishman replied the state puts in \$100,000 and local districts add other money from their unrestricted funds.

Co-Chair Buttars commented that Adult Education should be funded, and asked why it isn't a Higher Education cost. Superintendent Shumway responded that many of the adult education classes are taught by public education teachers.

Sen. Hillyard asked how much of the program should be funded as special programs on a state level and why it is not left to the school districts to decide which programs are best for them. Superintendent Shumway said that he is a general proponent of local control, but feels that there are times where there is a need for state-wide initiatives, such as the USTAR centers.

Co-Chair Buttars, commented that it would help the subcommittee if they could have a sheet in front of them with the condensed results of each program and how that program is working. Superintendent Shumway said that information is provided in the interim, and the USOE will provide it at these meetings. Rep. Ivory agreed that objective criteria, that has been distilled down to measured results, would help him make the difficult value judgements that need to be made.

Sen. Morgan commented that the agencies are just doing an overview now and specifics will be provided later for these programs.

Rep. Nielson asked for an executive summary of what data is available to date on each program, so that the effectiveness of the program can be discussed. Dave Thomas, School Board Member, Utah State School Board, responded that there is a break down of CRT proficiency scores over a period of time, broken down into specific categories to compare over time with other programs, and asked if that is what Rep. Nielson would like. Rep. Nielson said he would like each individual line item, what that program should achieve, and if the measured results show that it has been achieved.

Mr. Leishman explained Other Programs, under the Related to Basic Programs which include Electronic High School, School LAND Trust Program, and Charter Schools, which has two line items: Local Replacement Funding (local funds do not follow a student to the Charter School, so this provides a replacement value for the student) and Administrative Costs (provides \$100 for each student at a Charter School for administration expenses and reporting requirements).

Co-Chair Buttars asked Sen. Hillyard what the permanent fund is up to at this point. Sen. Hillyard responded that it is close to \$1 billion. Historically the State has struggled in deciding how much is enough to use to serve our current students and how much should be left in the fund to protect future students. The current needs may be such now, that more should be taken now, leaving less to the future. Martell Menlove, Deputy Superintendent, USOE, commented that due to economic fluctuations, the fund has reached \$1 billion three different times. Co-Chair Buttars commented that this issue should be studied extensively during the interim because the fund may still increase if a greater amount were taken. Sen. Hillyard commented that Mel Brown is the person that started the permanent fund and the state has worked very hard to build this fund up over time to get it to the \$1 billion dollar amount.

Rep. Sumsion commented that he and Rep. Herod passed the eminent domain of federal property with a specific eye to address the claws of the federal government that are clamping

down on access and use of SITLA lands. If this is implemented to the degree Washington is aggressively planning, it will lock up forever the SITLA trust lands in the state. This committee needs to consider funding lawsuits to prevent this from happening

Sen. Morgan commented that it was Rep. Brown that helped direct the interest and dividends money on school LAND Trust funds to go to each individual school community council and she has heard back that this has been some of the best spent money in the local school. The community council has a requirement to write a letter to Legislators explaining how this fund has been spent.

Rep. Nielsen said the subcommittee needs to look at the percent of the total to keep from losing that endowment. If the subcommittee is considering increasing the amount, the total drawn down needs to be below 5%. State Institutional Trust Land monies needs to be available for generations to come. Co-Chair Buttars responded that a contingency fund needs to be provided to push back against federal government involvement.

Rep. Handy has a fact sheet from Tim Donaldson, that shows some statistics of the breakdown of funding from trust funds in elementary, junior high and high schools, some of which he told the subcommittee.

Sen. Madsen commented that he is impressed with what Community Councils do, and as the subcommittee looks into opportunities to better what Public Education has, the subcommittee should look to expanding and empowering the community councils.

Mr. Leishman continued with the explanation of Other programs. The K-3 Reading Improvement Program directs funding to help reading in K-3rd grades, and requires a match from the school district.

Co-Chair Newbold expressed concern for this program. The goal for this program is to have 100% of 3rd graders reading on grade level. She passed out a copy of data reporting reading scores, which shows that there has not been much improvement in reading by the 3rd grade, since this program was implemented.

Co-Chair Buttars commented that this program is matched by the districts, and there should be an exact measurement.

Sen. Morgan commented that she will have legislation this year to put wording in statute which will tighten up the accountability of this funding. If the subcommittee wants children to be reading at grade level by the end of 3rd grade, more funding should be added, not cut.

Sen. Stephenson commented that this K-3 reading funding needs to be re-examined. He disagrees that more funding should be added, but the subcommittee should consider looking at how technology can help reading. There are some great software programs that have been proven to work and improve reading.

There was much discussion on the K-3 Reading Improvement Program by Reps Wright, Newbold, Sumsion, Nielson and Moss, and Sens. Stephenson, Morgan, and Hillyard. Responses were given by Debra Roberts, saying that this funding has not been wasted, it has been used very well and wisely. A lot of the funding has been used to change the approach to reading. Mr. Menlove, commented that certainly the funding could be in the Basic School Program, and the State School Board would continue to push literacy. Proficiency has improved, but the changing demographics affect the scores. Superintendent Shumway said that specific curriculum choices are left to the districts and the districts have balanced phonics, reading and writing.

The Public Education Job Enhancement Program (PEJEP) helps teachers get more education to improve skills in Math, Science and Special Education (starting next year there will be no funding), Educator's Salary Adjustment (money appropriated specifically to increase teacher salary), Uniform Salary Supplement Restricted (provides additional pay for math and science teachers that have a qualifying degree) and Library Books & Electronic Resources, (one time funding), are line items under Other Programs that were explained by Mr. Leishman.

Rep. Gibson asked if the Legislators see the school libraries as a classroom and would like to restore this to ongoing funding rather than just one-time.

Co-Chair Buttars commented that he feels the libraries are not utilized, and the funding for libraries should be raised. A good librarian is important and can enhance learning.

Rep. Newbold commented that this line item is very small, and wonders if there is information on how much a school library spends, and if library books are part of the funding. Mr. Leishman replied that the amount budgeted on this line item is only the state portion earmarked for libraries and expenditures are much larger.

Rep. Handy and Moss expressed agreement with Rep. Gibson that libraries are a classroom and Rep. Poulson expressed agreement with Co-Chair Buttars that a well trained librarian is crucial, and all agreed that libraries are so important and should be properly funded.

Rep. Ivory asked if it is up to the Legislature to providing the earmarks for how this funding is used. Reps. Gibson and Moss, and Co-Chair Buttars commented that this is a line item that needs to be funded specifically. Rep. Cosgrove responded that at one time there was an effort to put everything into a block grant, and some of the line items, did not receive the priority deserved, including the library line item. This is why this was put back as a line item.

Superintendent Shumway reported that district and charter schools spend \$26 million for staffing, and \$6.5 million on books, so each is spending more than is allocated.

Sen. Madsen expressed shock that staffing takes four times the funding than books, and asked if there is anything that preclude school districts from spending property tax funds on libraries, computer labs, and technology. Superintendent Shumway responded that the above spending numbers show that schools are allowed, and do spend property tax funding for these items. Sen. Madsen commented there is much frustration on what the Legislature should earmark, and what should be left to the schools to use as they feel best.

Rep. Neilson commented that as public officials, the subcommittee needs to remember their role is to establish and maintain a system and supervision and control belong to the schools and school boards.

Sen. Adams said there is a disproportionate amount of funding that can be generated in each district from local property tax and there is an inability to use local funds for operations. There needs to be an effort to equalize property tax.

Sen. Stephenson stated, when the Legislature provides mandates, they are not embraced as well as when incentives are provided. He asked if this line item could set some incentive standards and tie this money to the achievement of those standards, with technology specifically being one of those standards. Mr. Thomas responded that standards are currently being developed as part of the reform effort and plan.

Mr. Leishman discussed the remaining line items in Other Programs which include: Matching Funds for School Nurses (schools apply for funding and are required to have matching funds), Critical Languages and Dual Immersion (grants to districts for pilot language programs), Extended Year for Special Educators, Year-Round Math & Science (USTAR Centers), and Performance-Based Compensation Pilot. He explained the Teacher Supplies & Materials line item and the Beverly Taylor Sorenson Arts Learning Program, both with one-time funding.

Co-Chair Buttars commented how critical languages and dual immersion is a great program for moving forward in the world and feels it is underfunded. He applauded Sen. Stephenson for this program and asked him to explain a little about how this is being implemented.

Rep. Cosgrove expressed agreement with Co-Chair Buttars comments, and said how amazing it was when he visited a school implementing this program and heard young students speaking Mandarin Chinese.

Superintendent Shumway said this is a good example of the balance between statewide and local control. He expressed that while the discussion has been about Mandarin Chinese, (and he spoke this in Spanish) that Spanish is a very important language and is one of several languages in the Dual Immersion Program.

Rep. Ivory asked about the math and science year round program, and why his jr. high student has had so many different science teachers. He asked what are benefits for the

funding are students receiving, and Superintendent Shumway explained that this funding is mostly for high school students, and has a report that he will give Rep. Ivory.

Sen. Stephenson said he would like to see data on the Beverly Taylor Performance Art teachers, and asked about the ongoing nature of the PEJEP program which gives bonuses to Math and Science teachers. Mr. Leishman said a committee grants a scholarship or signing bonus to a teacher who applies and qualifies for it, and commits 2 years of funding. As the program has been decreased, and currently eliminated, the PEJEP committee scales down the number of grants funded. It will phase out over time.

Sen. Stephenson feels like we are cutting funding for some programs, such as math and science bonuses and the Jobs Now Program, for programs that are most effective. Industry will steal math and science graduates, if there is not an incentive for them to teach. He feels that this funding needs to be guaranteed and a permanent ongoing benefit, and needs to have at least a \$10,000 differential pay for math and science teachers.

Rep. Wright asked how highly qualified teachers is measured, when student results are not. Sen. Stephenson responded that teachers will be lost to industry, and this extra pay is responding to market demand. He also said that the Legislature needs to get serious about pay for performance.

Co-Chair Buttars asked if Teachers Supplies line item is to keep teachers from having to buy their own supplies. Superintendent Shumway commented that it for teacher supplies in the elementary school, and it was less last year. Mr. Leishman said it is a reimbursement program for teachers.

Sen. Hillyard commented that teachers that go back for more education was a component of the PEJEP. He also commented on the line item of teachers supplies, there appears to be a disconnect between what the subcommittee budgets and what the teacher's actually get. He feels that Teacher Supplies should be a separate line item.

Sen. Madsen commented that it is unconscionable that teachers not get funding for supplies.

3. Budget Adjustments FY 2012

Mr. Leishman said that staff has been asked to make a list of options for items to be cut, which is just to start a conversation about what items need to be cut, is available today in their folder. This list is also on the website.

Co-Chair Newbold commented that the options Mr. Leishman spoke of, are just options and next week the subcommittee will start discussing and deciding the options. These options may be talked about in the press, but just remember they are staff's options, not the subcommittee's options.

Co-Chair Buttars commented, that in future meetings the subcommittee will start deciding the budget and would like to have recommendations from the State Office of Education as well as the subcommittee.

Sen. Hillyard commented that the options can be totally changed.

4. Adjourn

MOTION: Rep. Newbold moved to adjourn.

The motion passed unanimously with Rep. Christensen and Wright absent for the vote.

Co-Chair Buttars adjourned the meeting at 10:59 A.M.

Minutes were reported by Karen C. Allred, Senate Secretary

Sen. Chris Buttars, Co-Chair

Rep. Merlynn T. Newbold, Co-Chair